and on-going exercise and changes are made as and when considered necessary, keeping in view the demand and supply position.

Indo-Israel Trade

752. SHRI SARADA MOHANTY : Will the Minister of COMMERCE be pleased to state :

(a) the areas in which Indo-Israel trade has been established;

(b) whether Government have a proposal to expand Indo-Israel trade;

(c) if so, the new areas identified therefor; and

(d) the details thereof ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) The main items of India's exports to Israel at present are gems & jewellery, textiles, agricultural commodities, handicrafts, engineering goods, etc. The main items of our imports from Israel are fertilizers pearls, precious and semi-precious stones, organic/inorganic chemicals, other crude minerals, etc.

(b) Yes, Sir.

(c) and (d) Potential areas identified for expansion of trade and cooperation for mutual benefit include project exports, chemicals and allied products, drugs & pharmaceuticals, electronic items, fruits and vegetables, solar energy, desalination of water, irrigation management, desert farming, telecommunication systems, dairy development, etc.

Decline in Exports

753. SHRI KRISHNA KUMAR BIRLA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to a newsitem in the Statesman of 8th November, 1994 captioned "$ 600 m export loss in October" ;

(b) if so, whether the export figure has declined in the month of October;

(c) whether Government propose to contemplate any serious efforts to cover up the export performance during the remaining period of the current financial year; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) Yes, Sir.

(b) Despite adverse effects of plague, the exports estimated at $2198.25 million in October, 1994 are about 27% higher than those during October, 1993. The level of exports in October, 1994 is also higher than those during any month in the current financial year.

(c) and (d) Increasing the levels of exports is a continues and ongoing process. Export performance is closely monitored to take promotional measures and corrective action wherever and whenever require.

Import of Newsprint by STC

754. SHRI V. RAJAN CHELLAPPA : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of newsprint imported by the State Trading Corporation during 1993-94;

(b) whether Government have received any complaint from newspapers regarding non supply of newsprint from STC during the above period;

(c) if so, the details thereof; and

(d) the steps being taken by Government to provide incentives to

those newspapers which could not get the required quota of newsprint from STC during the above period ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) STC has imported 23,000 MTs (approx) of newsprint during 1993-94.

(b) to (d) Prior to 1-4-1992, STC had been the canalising agency for import of newsprint. However, w.e.f. 1-4-1992, import of newsprint has been decanalised and STC is no longer a canalising agency for import of this commodity. Under the decanalised regime, actual users are allowed to import newsprint directly by themselves or through newsprint handling agents based on the entitlement certificates issued by the Registrar of Newspapers for India (RNI) under the administrative control of the Ministry of Information and Broadcasting.

Effect of E.U.'s Generalised System of preferences on Exports

755. SHRI G. Y. KRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the European Union's revised Generalised System of Preferences, scheduled to come into force from January 1, 1995 is likely to effect Indian exports, particularly in the sphere of protection of intellectual property rights.

(b) if so, how does Government propose to face rough weather over IPR and other commitments to labour standards and environment; and

(c) what is its ultimate impact on India's exports of textiles, apparels, leather, carpets and other products ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) to (c) The European Commission submitted a proposal for a three-year scheme of generalised tariff preferences from 1995 to 1997 for industrial products originating in developing countries to the Council of the European Union on 19th September, 1994. The Commission's proposal does not include the scope of GSP access with protection of intellectual property rights. The proposal, however, provides that beneficiary countries could avail of, on request, with effect from 1st January, 1997, "Special incentive arrangements" for conformance with certain international labour and environmental standards.

2. The Commission proposed that the new regulation would enter into force on 1st January, 1995. The proposal is yet to be adopted by the Council.

3. The central elements of the Commission's proposal are tariff "modulation" and "graduation". As per the modulation proposal, the existing volume restrictions in the form of fixed duty-free amounts and ceilings would be replaced by tariff modulation reflecting the sensitively of different sectors (products or groups of products). The eligible products would be categorised into sensitive, semi-sensitive and non-sensitive sectors (products) and these would be subject to different rates of preferential duty. Under the new graduation policy, beneficiary countries which have achieved a degree of trade specialisation in certain sectors will be denied GSP for those sectors. While applying graduation in addition to the trade specialisation criterion, development factor would be taken into account.

4. The proposals, if accepted, are likely to affect a number of countries including India, Hongkong, Singapore, South Korea, China, Thailand, Malaysia, Brazil, Argentina, Pakistan and Indonesia. The likely effects cannot be assessed until the new scheme becomes available.